Requests for Expressions of Interest Yaphank, New York



December 30, 2005





Issued: 12/30/05; Law No. 05-PL-010

RFEI for Development of Suffolk County for the Yaphank Properties

Request for Expressions of Interest ("RFEI")
for the
Development
of
Approximately 250 Acres of County of Suffolk Owned Properties
in
Yaphank, NY

Submissions Due: May 1, 2006

Number of Copies of Submission: One Original plus 8 paper copies and 1 CD

Proposals must be returned to: Thomas Isles, Director

Suffolk County Planning Department 4th Floor H. Lee Dennison Building 100 Veterans Memorial Highway

Hauppauge, NY 11788

For additional information, call:

Name Thomas Isles, Director of Planning

Direct Tel. (631) 853-5190 Fax: (631) 853-4044

TABLE OF CONTENTS

I.	THE OPPORTUNITY	1
II.	SITE DESCRIPTION AND DEVELOPMENT PARAMETERS	3
III.	BACKGROUND	6
IV.	GOALS AND OBJECTIVES FOR THE SITE	8
٧.	ROLES AND RESPONSIBILITIES	10
VI.	SUBMISSION PROCESS AND REQUIREMENTS	11
VII.	SELECTION PROCESS AND EVALUATION	15
VIII	. GENERAL TERMS AND LIMITATIONS	16
APF	PENDIX	
	SITE CONDITIONS AND USES	
В.	SITE INVENTORY	
C.	GENERAL MARKET OVERVIEW	
D.	ZONING MAP	
E.	MAP 1 – SITE BOUNDARIES AND CONTIGUOUS VACANT LAND	
F.	Map 2 – Areas excluded from development; preferred housing sites	

Home to 2.8 million people concentrated within 1,200 square miles, Long Island is geographically, economically and demographically diverse. From the densely populated western section of Nassau County near New York City, through beautiful, historic suburban environments, busy shopping areas and business centers, to miles of shoreline and serene, rural landscapes in Suffolk County, Long Island is one of the most desirable areas to live and work in the Tri-State region. It is also one of the most developed areas in the northeast, and large tracts of vacant land are scarce. It is in this context that Suffolk County offers an unparalleled opportunity to mold the future of Long Island.

At the center of Suffolk County lies approximately 800 contiguous acres of largely undeveloped publicly-owned land with enormous potential. The site is known as the Yaphank County Center. The purpose of this solicitation is to seek expressions of interest for the development of approximately 250 acres of Yaphank County Center (the Site). With excellent road and rail access and an existing infrastructure network, this site presents a rare opportunity for the creation of a landmark development.

Suffolk County, the owner of the site, acting through its Department of Planning, invites interested parties (including experienced developers and development teams with experience taking ideas from concept to completion) to participate in one of the most exciting development projects in the County's history.

The Suffolk County Executive, Steve Levy, recognizing the critical need for more visionary ways in which to grow the County's economy, has identified the Yaphank County Center as an opportunity with "endless" possibilities. Through this Request for Expressions of Interest (RFEI), the County hopes to solicit ideas that set a new standard for development on Long Island. Along with input from community stakeholders, the Town of Brookhaven and the County, responses to this RFEI will be used to create a development framework.

Upon achieving broad consensus on this framework, the County will issue a Request for Proposals ("RFP") seeking a private partner or partners to implement this vision through the leasing and/or purchase and development of the Site. The County reserves the right to enter into negotiations with one or more respondents to this RFEI, and to restrict any future RFP for all or a portion of the Site to only those who respond to this RFEI. Therefore, the County strongly encourages all parties interested in the development of the Site to submit a response to the RFEI. Alternatively, responses to the RFP from non-responders to this RFEI may be considered if the County determines it is in its own best interest to do so.

Responders are encouraged to propose concepts and ideas for all, or part(s) of the Site. Regardless of the scale, any proposal must present the highest quality design and should contemplate progressive planning ideas that foster quality of life such as walkability, "green" design techniques, and transit-oriented development. It is anticipated that Suffolk County will enter into a partnership with the Long Island Power Authority (LIPA) to provide financial and other incentives to residential and other commercial developments at the Yaphank site that utilize LIPA's clean energy initiative programs. While concepts for the Site must include a significant residential component (as described in Site Description and Development Parameters section, pp. 3-4), the County

has provided for flexibility that will facilitate inclusion of a variety of uses that respond to market and community demand.

The Site's physical attributes provide an ideal foundation for a high-quality, signature development – one that combines community accessibility, economic viability and design excellence. These attributes include:

- Proximity to most areas of Suffolk County, as the Site is located virtually at the center of the County.
- Accessibility by both road and rail. The Site is serviced by Yaphank Avenue and Horseblock Road, which provides connections to the Long Island Expressway (LIE) and features a Long Island Rail Road (LIRR) stop immediately adjacent to the-site.
- **Size** to allow for larger facilities or a mix of uses. The Site offers large contiguous areas for development.
- *Flexibility* for the future of current uses. The County is open to concepts that propose the relocation or redevelopment of designated current uses on the Site.
- **Character** that distinguishes the Site and provides natural buffer zones. With farmland and wooded landscape, the Site has a unique rural character reflective of the surrounding community that also offers natural buffer zones between uses.
- *Infrastructure* that services the Site is up-to-date and functional. Includes access to public water, electric, and telephone services and an onsite sewage treatment plant which has some surplus capacity as well as the feasibility for expansion.

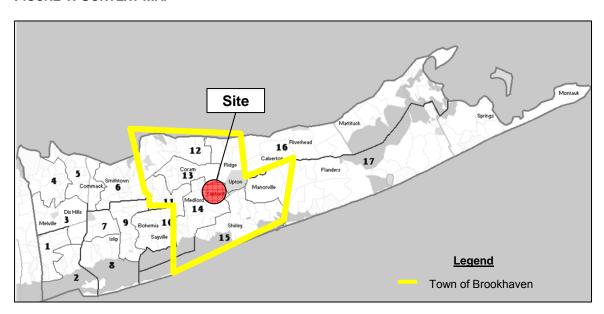
Proposed programs for the Site must also be rooted in market realities. Current market conditions are ripe for the success of a variety of uses on the Site, and provide a favorable setting for creativity. The Suffolk County economy is poised for continued growth and new development should tap into and foster such growth. However, despite strong growth projections, current trends threaten to hinder economic expansion. A significant affordability gap in the housing market is forcing young families to leave and limiting employers' ability to attract talented workers.

Yet, from these challenges grows the opportunity to meet the enormous housing demand for an entire segment of the population. Visions for the Site that strategically respond to this unmet demand for housing, especially for young families and workers, will be viewed favorably. At the same time, the most innovative ideas will also respond to the community's demand for a broad range of new cultural, recreation and entertainment opportunities to enhance quality of life.

The County is particularly interested in ways to support creative concepts that strategically respond to economic development objectives of the County. For example, the County believes there are ample opportunities to partner with local employers to provide residential opportunities to their employees. Such a partnership could be structured in a variety of ways from providing an equity stake in a development to providing targeted marketing to critical employees. While the County welcomes respondents' ideas about potential partnerships, expressions of interest in submissions will in no way be construed by the County as exclusive, nor does the County expect to enter into any specific partnerships at this stage of the process.

The Yaphank Site is located in the central part of Suffolk County at the approximate midpoint between Riverhead and Hauppauge. The property extends from Long Island Avenue and the Long Island Expressway (LIE) south to Horseblock Road. Access to the location is provided by Yaphank Avenue (C.R. 21), a north-south collector roadway. The site is located in the Town of Brookhaven and within the unincorporated hamlet of Yaphank. It includes part of two school districts: Longwood School District on the northern half of the site and South Country School District on the southern half.

FIGURE 1. CONTEXT MAP



As a way of initiating a dialogue about the future of the Site, the County Executive suggested a broad vision that calls for the vacant County land at the Yaphank County Center to be identified and divided into thirds. One third was directed to be reserved for additional County facilities that may be needed in the future, one third for workforce housing and one third for sports and entertainment uses. Based on this directive, 380 acres of available undeveloped land was identified. From this amount, 130 acres is reserved for future County uses with the balance (250 acres) made available for possible private development.

The available undeveloped portions of the site are largely wooded on the western portions of the site. Existing County facilities within the area are scattered in a low-intensity fashion across the Site, with buildings generally isolated from one another by large areas of parking, lawns and patches of woodland. The Site features proximity to the adjacent Yaphank Long Island Railroad (LIRR) station. Current train service is minimal, but electrification and other improvements may improve service in the future.

¹ The County's Department of Planning produced a comprehensive Site Evaluation Plan, dated March 31, 2005, which evaluates the site of the County's potentially surplus properties in Yaphank. Relevant sections of that report pertaining to existing buildings are included in Appendix B of this RFEI.

Included with this solicitation as Appendix E and F respectively, are two maps that indicate the possible development areas on the Site.

- Map One (Appendix E): 250 Acres Fixed Boundary- Map One indicates the area
 that is being offered for possible development that includes only vacant land. It
 consists of an area of 250 acres located on the western portion of the Site
 extending from Horseblock Road to the south to the LIRR line to the north. The 250
 acres are contiguous and do not involve the relocation of any County facilities.
- Map Two (Appendix F): 250 Acres Flexible Boundary- Map Two provides an alternative, more flexible option for the location of new development. Under this option, a respondent may propose the relocation of certain County facilities. The map indicates those areas of the Site that can not be relocated including, for example, the County Farm and the John Foley Nursing facility. Within the areas that may be considered for development, a response may propose use for up to 250 acres. Also indicated on Map Two are suggested locations for residential use. Alternates A and B are indicated on the map and are described below.

The County requires that any proposal for the Site include a significant number of homes affordable to workers in Suffolk County. This residential development should provide a variety of housing choices including rental and homeownership opportunities ranging from studio apartments to two bedroom attached homes. The homes should be provided in residential clustered neighborhoods as well as contained in any mixed use component. It should be noted that the following conditions may affect the use of certain portions of the County's property for residential purposes.

- The presence of L-2 zoning adjacent to the County property including to the southwest. L-2 zoning permits heavy industrial activities including fireworks manufacture, asphalt processing and outdoor storage.
- A Long Island Power Authority high tension line that extends east-west from the northwest side of the site.
- A proposed power plant of approximately 300 megawatts that is planned southwest of the County's property.
- An expansion of the County correctional facility.
- Industrial uses in the southern portion of the site including a commercial composting facility.
- A municipal solid waste facility south of the site.

In order to facilitate adherence to the housing requirement, the County will consider alternate locations for residential development within the Yaphank County Center. The alternates are set forth in Appendix F, Map Two and include:

- Alternate A (see map): the northeast portion of the site, generally bounded by the LIE to the north, Yaphank Avenue on the west, and LIRR on the south.
- Alternate B (see map): the area bordered by the County's property boundary to the west, south of LIRR, north of the Nursing Facility, and to the west of Yaphank Avenue.

There are well over 100 acres in County control on these two sites within a one-half mile radius of the Yaphank train station. Housing programs in the Alternate areas will likely require the relocation of several current County facilities. To assist in creation of ideal

programs in these areas, the County has designated specific County facilities that may be relocated within the Yaphank County Center (see Appendix A for a complete list of these facilities). Relocated facilities must be equivalent to or better than existing facilities in size and quality and would be moved and constructed at the sole expense of the Developer to new parcels within the 800 acre Yaphank County Center. Responses that propose relocation of any County facilities must also provide a viable phasing plan that describes when any necessary relocation of County facilities would occur.

Any proposed concept should seamlessly incorporate, or re-integrate (for relocated facilities), current uses on the Site, and should consider relationships to surrounding uses. The location of uses throughout the site must adhere to the following criteria:

USE LOCATION CRITERIA

For New Homes:

- Take advantage of proximity to the rail road by locating development within walking distance of the station (with possible service improvements in the future and possible station relocation).
- Provide housing of a variety of densities.
- Provide sufficient set back and/or buffers to mitigate any noxious impacts from the County Farm or any present or potential industrial uses. Suggested setback from L-2 zoned lots is 3/10 acre and from L-1 zoned lots, 200 feet.
- Allow for accommodation and sufficient and appropriate set-backs from the correctional facility expansion area.

For Relocated Uses

- If the Police Headquarters and/or Department of Public Works and related facilities' sites are to be redeveloped, the facilities should be relocated west of Yaphank Avenue near the existing Fire, Rescue and Emergency Services (FRES) complex.
- Provide generous landscaped buffers along Yaphank Avenue.
- Respondents should seek site layouts that may provide for shared parking opportunities.

For Commercial Recreation Uses

- Take advantage of LIRR station by siting development that could best make use of train service within walking distance of the train.
- Provide sufficient setback and/or buffers to mitigate and generated noxious impacts.

For All uses

• Site uses in such a way to foster a vibrant sense of community that is compatible with the overall land use design.

Suffolk County is the owner of more than 800 acres at the Yaphank County Center, most of which was purchased in the 1960s and 1970s in response to aggressive projections for rapid population growth and an anticipated need for facility space. In 2005, recognizing that this explosive population growth had not materialized to the extent projected, the County began exploring disposing of portions of the site for development of non-County uses.

As previously described, the County Executive suggested a broad vision that calls for the possible development of two thirds of the 380 undeveloped acres at Yaphank County Center. The County has undertaken this RFEI process to ascertain market response to this vision and to seek additional ideas consistent with its forward-thinking, comprehensive, planned approach.

In order to ensure a participatory process and facilitate the approval and development of the Site, in June of 2005, the Suffolk County Legislature, supported by the County Executive, created the Yaphank Center Development Review Committee (the "Review Committee"). The Review Committee consisted of eleven members representing the community, labor, business, and regional and local government stakeholders and was convened for a six-month period from June through December, 2005. The Review Committee was charged with providing guidance to the County in drafting this RFEI by developing Goals and Objectives for the Site. Contained in the following section of this RFEI, these Goals and Objectives are based on public input and the Committee's work with its real estate advisors.²

A Countywide and Yaphank community outreach process contributed to these Goals and Objectives, and was also the first step in engagement of and review by the local community. In addition to ten work sessions with the Review Committee, three public meetings were conducted by the County. General site and market conditions were the subject of the first public meeting, design concepts and preferences were discussed at the second, and the Review Committee's draft Goals and Objectives were aired at the third.

Key ideas suggested for the Site included sports-related uses, such as possibilities for a motor sports facility or an arena that could host events and accommodate community sports activities. A large contingent of motor sports enthusiasts at every public meeting asserted that the Yaphank County Center, with its central Suffolk County location and arterial highway access, is the ideal spot to create a home on Long Island for automobile racing.

Other members of the public were strong proponents for lower-intensity educational or sports and entertainment uses, such as a multi-plex movie theater, a sports arena, or a community pool or ice rink. Still others supported the potential to maintain the serene and rural character of Yaphank, limiting development to bike trails or other low impact recreational uses.

² Newmark Real Estate; Hamilton, Rabinovitz & Alschuler (HR&A); Philip, Preiss, Shapiro Associates (PPSA); LKMcLean Associates (LKMA).

Many Suffolk County business leaders supported the idea of building homes at the Site. recognizing that Long Island suffers from an acute shortage of homes that would allow young adults, retirees, and empty-nesters to remain in the area. The full spectrum of Long Island's business sector - from the service sector to high-tech and low-tech manufacturers - have cited the lack of homes employees can afford as the single, biggest threat to sustainable economic prosperity for Suffolk County. The leaders of regionally-significant employers, including Brookhaven National Laboratory, Northrop/Grumman, Brookhaven Memorial Hospital, and Adchem, attended the public meetings to express the vital economic importance of the inclusion of affordable homes at the site, as did the leaders of professional business organizations such as the Nassau/Suffolk Chamber of Commerce, the Association for a Better Long Island and the Long Island Association.

Finally, community residents expressed concern about noise and air pollution, as well as increased traffic levels created by potential development.

This section of the RFEI presents the Goals and Objectives drafted by the Review Committee, by order of the County Legislature. They are intended to provide a framework for respondents and as a guide for the County throughout the development process. As described in the prior section of this document, a community outreach process informed these Goals and Objectives.

The Committee's Goals and Objectives, rooted in the County's site and market analyses, set forth an array of non-financial returns that the County will employ in evaluating its "bottom line." While it is expected that respondents will consider these Goals and Objectives, it is nonetheless anticipated that not every plan will satisfy all of the goals. The successful Expression of Interest will embody the spirit of the Goals and Objectives to the greatest extent possible. The goals will provide key evaluative criteria for the County as it reviews each Expression of Interest and determines how to proceed with the development of the Site. They are divided into two groups: the first sets forth a list of broad guidelines that address the Committee's General Vision for the Site; the second provides the Committee's goals for proposed uses on the Site.

General Site Vision

Successful respondents will demonstrate their ability to:

- 1. Respect the character of the surrounding community.
- 2. Acknowledge the special nature of the County Farm.
- 3. Provide high quality development.
- 4. Respond to community needs that are not currently being met by the market.
- 5. Provide a mix of uses.
- 6. Provide for opportunities for intergenerational activities and homes.
- 7. Assure a coordinated and compatible development plan.
- 8. Have a positive economic impact on the Town, school districts and County.
- 9. Enhance the value of adjoining and nearby residences.
- 10. Provide a destination for local and county residents.
- 11. Take advantage of both the Long Island Expressway and the Long Island Railroad to minimize the impact of traffic onto local streets.
- 12. Protect and enhance the environment including the Carmans River watershed.
- 13. Utilize energy conserving "green" building and site development principles.
- 14. Coexist, without conflict, with existing County uses and other existing land uses in the immediate area. This shall also consider any County facilities that may be relocated.

General Program Goals

 The County will entertain the relocation of certain existing facilities. If County facilities are relocated or consolidated, it is expected that the developer will build equal or greater amount of facilities at an equal or better quality. Any relocation must not negatively impact the local community but instead enhance and be compatible with the community.

- 2. The County farm will continue to be preserved and operational. Respondents should continue the farm's design elements and green spaces throughout the development area.
- 3. Any development will demonstrate the ability to protect the existing residents from traffic, noise and other environmental impacts.
- 4. Any residential development should meet the following goals:
 - a. Character that is consistent with the surrounding community
 - b. Address the needs of employees of businesses located on Long Island and families earning household incomes ranging up to 120% of county median income. A component of market rate homes would also be acceptable.
 - c. Address current and long term affordability
 - d. Contain a recreation component that builds on that which exists now and meets, at a minimum, the recreation needs of the new residents
- 5. Any sports and entertainment components should meet the following goals:
 - a. Provide opportunities for local sports and recreation uses including the retention on site of existing athletic fields
 - b. Provide opportunities for low impact, passive recreation
 - c. Sports and entertainment uses should provide adequate buffers between the existing community and other uses on the site

Suffolk County, the owner of the Site, is responsible for the process of soliciting ideas and proposals, for the selection of a developer or development team, and finally for selling or leasing the site. Throughout this process, however, there are a number of stakeholders with important roles:

- The Town of Brookhaven has zoning and land use authority over the Site.
- The Suffolk County Legislature will be required to approve the designation of the land as surplus in order to allow the County to lease or dispose of the Site to a private party. The County is committed to ensuring that all members of the Legislature are informed about the project and engaged in dialogue throughout the process.
- The Public in the form of civic associations, special interest groups, employers and
 individual citizens from the local area and the County, as a whole, will need to be
 fully engaged throughout the process.

The developer(s) finally selected for the Site will be required to follow subsequent approval steps as necessary, including application to the Town of Brookhaven for rezoning of the Site, obtaining necessary permits, and compliance with the State Environmental Quality Review Act (SEQRA). It is the intention of the County to remain involved throughout the development process in partnership with the selected developer to ensure development adheres to the Goals and Objectives of both the County and the community and to assure the implementation of the project in a timely manner.

Submission Process

Each submission must include one original, eight (8) paper copies and one CD of the entire proposal. Submissions should be organized in the format outlined below with a tab provided for each section. The body of the response should be no more than twenty (20) 8 ½ x 11 pages, excluding the concept plan graphics and other attachments. Respondents are strongly encouraged not to submit unnecessary marketing material. Responses must be submitted no later than 3:00 PM, Monday, May 1, 2006, to:

Mr. Thomas Isles Director, Suffolk County Department of Planning H. Lee Dennison Building, Fourth Floor 100 Veterans Memorial Highway Hauppauge, NY 11788

RFEI Registration

To receive a full copy of the RFEI, including one set of large scale maps and a CD of this material, potential responders must provide a completed registration form and a \$100 registration fee (check or money order made payable to Suffolk County) to the attention of Thomas Isles at the address indicated above. Such registration is a prerequisite for attendance at the site tour and information conference described below and for submitting a response to the RFEI.

Site Tour - Wednesday, February 1, 2006, 10:00 am

The County will conduct a site tour for interested, registered participants. Attendance is not mandatory. Only registered respondents will be permitted to attend the site tour. The County requests that all registered respondents that are interested in attending the site tour contact Thomas Isles at tom.isles@co.suffolk.ny.us or (631) 853-5191, no later than January 25th 2006 to reserve for the tour. In case of inclement weather, the tour will be held on Friday February 3, 2006 at 10:00 am.

Registered responders who seek additional information are invited to submit questions to Thomas Isles at either the physical or email address indicated above. Questions should be submitted no later than Wednesday, February 15, 2006.

The County will host a conference for all responders at 10:00 am on February 27, 2006. At the conference, the County will provide an overview of the Site and the project as well as any informational updates necessary. The conference will also serve as a forum for respondents to ask questions that remain unanswered following the questions submission period. If necessary, after this event, the County will issue an RFEI supplement, containing these additional questions and answers.

Submission Requirements:

All responses to the RFEI shall provide the following in the indicated format:

A. Tab A - Letter of Transmittal

B. Tab B - Conceptual Site Plan

Respondents must submit a conceptual site plan that clearly indicates their proposal for the site.

- 1) This concept plan should be presented an 8 ½" x 14" format. Due to this scale it is expected the plan will be identified in a general or "bubble" format. This plan should be part of the bound response.
- 2) Respondents should also provide no more than five 30" x 40" presentation boards providing details of this conceptual site plan. Clearly indicate on each presentation board, the name of your development team.
- 3) Respondents may also provide additional graphics necessary to adequately explain their proposal.

C. Tab C - Conceptual Site Plan Description

Respondents must submit a narrative description that outlines their vision for the Site.

- This description should outline proposed uses, possible site layouts, overall character of the development and ways in which the concept meets the goals and objectives stated herein. The concept must convey consideration for uses, layout, density, circulation, and possible alternatives. The Plan should describe:
 - a. Proposed mix of uses and/or users, including percentage of residential, office, hospitality, and retail uses
 - b. Preliminary details regarding any preliminary sports/entertainment program
 - c. Any significant variances from the Goals and Objectives or use location criteria, and the rationale for those variances
 - d. Preliminary phasing plan
 - e. The Plan's implications for the County's housing needs and other economic development objectives
 - f. Anticipated infrastructure improvements
 - g. Anticipated zoning changes and other significant land use approvals
- 2) For any proposed housing, the anticipated target market, housing type, and general description of types of financing needed to achieve demographic and economic targets consistent with the County's goals.
 - a. Suggested unit mix
 - b. Density
 - c. Tenure type (short and long term)
 - d. Any suggested, potential or specific planned partnerships with local employers
 - e. General discussion of ways to mitigate fiscal impacts, if any, on the County, Town and School District(s)

- 3) For any proposed sports/entertainment use, the description should include the proposed development and management plan and operating structure.
 - a. Demonstrated market feasibility
 - b. Proposed event type and prototypical schedule of events
 - c. Anticipated attendance volumes
 - d. Target market
 - e. General discussion of ways to mitigate environmental (e.g. traffic, noise, air quality) impacts and ways of proving intra- and inter-site buffers for same

D. Tab **D** - Development Team Members (collectively, the "respondent").

Capacity to implement, experience in public-private development and with the specific County and Town approvals and permitting process and innovative land use and design will be of particular importance to the County in selecting a development partner. For this submission, in assembling a development team which responds to these concerns, the respondent shall identify key team members, including but not limited to: master developer (firm or joint venture partners), urban designers, land use planners, and architects.

- Name, address, telephone number, and fax number of each principal, partner, entity, or joint-venture partner participating as a key team member for the respondent, and such persons' roles or titles within the respondent team.
- 2) Name, address, telephone number, fax number, and e-mail address of the representative authorized to act on behalf of the respondent, who will be available to reply to questions or requests for additional information.
- 3) Identification of any affiliation or other relationship between any of the members of the respondent and any development company, parent company, or subsidiary.

Respondents are strongly encouraged to include Suffolk County firms as development partners and as planning and design professionals whenever possible.

E. Tab E - Qualifications and Experience

Each respondent must submit a concise Statement of Qualifications that describes the respondent's qualifications for the project. This submission must include:

- A description of the respondent's three most relevant projects that demonstrate success in large-scale, suburban or rural developments of the kind proposed. Ideal examples would include projects that create a cohesive community with unique character and demonstrate experience with Long Island development projects, residential mixed-income development projects, and public-private development partnerships. Projects should be those with which the respondent and/or the master planner has had primary involvement, and may include illustrative material submitted as an appendix. The Statement must include:
 - a. The name and address of each project, the name and telephone number of no more than three persons familiar with the development who will respond to any inquiries from the County regarding the

- development team's capabilities, and the managing partner or design architect role in each project.
- b. Three references for the respondent (or its members), including names, addresses and telephone numbers.

Respondents may also use the Statement of Qualifications as an opportunity to describe any other unique qualifications not covered in other areas of the submission.

- 2) A summary of qualifications of senior-level staff of the key team members who will be working on this project, including a description of the role of each in this project and relevant experience.
- 3) Status of the respondent organization (whether a corporation, a non-profit or charitable institution, a partnership, a limited liability corporation, a business association, or a joint venture) indicating under which laws it is organized and operating, and a brief history of the organization and its principals (for any entity required to file reports in the jurisdiction of its formation, include a certificate of good standing for such jurisdiction). The principals, partners, or joint-venture partners who are part of the respondent team must be eligible to transact business with Suffolk County

F. Tab F - Financial Capability

1) Demonstration of financial capacity to undertake the proposed development such as filings or audited financial reports or a description of the size and financing structure of recent projects. It is expected that this information will be exempt from Freedom of Information Law (FOIL) requirements at this stage in the process. Accordingly, the information may be provided in a separate, sealed envelope

SUMMARY OF IMPORTANT DATES

ACTION	TARGET DATE
RFEI released	December 31, 2005
Reservations deadline for Site Tour	January 25, 2006
Responder's Site Tour	February 1, 2006
Deadline for questions from respondents	February 15, 2006
RFEI conference	February 27, 2006
Final Submissions due	May 1, 2006, 3PM

VII. SELECTION PROCESS AND EVALUATION

The County will appoint an Evaluation Team ("the Team") to review and evaluate all received submissions. The Team will be comprised of at least 3 senior County officials and staff.

The County reserves the right to enter into negotiations with one or more respondent based on responses to this RFEI, and to request additional information from some or all respondents. Further, respondents may be requested to participate in interviews or public presentations. This RFEI does not commit the County to select any entity or to enter into negotiations with any entity that may respond. The County reserves the right to restrict any future RFP for all or a portion of the Site to only those who respond to this RFEI. Alternatively, responses to the RFP from non-responders to this RFEI may be considered if the County determines it is in its own best interest to do so.

Submissions will be evaluated according to but not limited to the following criteria:

- Demonstrated experience with comparable, completed projects
- Overall quality of completed projects
- Degree to which submitted concept plan fulfils stated objectives for the Site
- Experience with public-private partnerships and/or initiatives
- Demonstrated demand for/feasibility of proposed concept
- Financial wherewithal the respondent's capacity to carry out the type of project proposed including evidence that respondent can secure financing if selected

The issuance of this RFEI and the submission of a response by any respondent, or the acceptance of such response by Suffolk County do not obligate the County in any manner. Suffolk County reserves the rights to:

- amend, modify, or withdraw this RFEI;
- revise any requirements of this RFEI;
- require supplemental statements of information from any firm;
- accept or reject any or all responses;
- extend the deadline for submission of responses;
- negotiate or hold discussions with any respondent and to waive defects and allow corrections of deficient responses;
- cancel this RFEI, in whole or in part, if the County deems it in its best interest to do so;
- restrict any future RFP for all or a portion of the Site to only those who respond to this RFEI:
- accept responses to any future RFP from non-responders to this RFEI.

Suffolk County may exercise these rights at any time without notice and without liability to any proposing firm or any other party for their expenses incurred in the preparation of the responses hereto or otherwise. Responses to this RFEI will be prepared at the sole cost and expense of the proposing firm(s). In addition, all expenses related to any subsequent approvals process will be the sole responsibility of the selected developer.

Suffolk County shall be entitled to retain and use for the project without compensation to any respondent any information submitted, including, but not limited to, any concept, element or idea (including financial or ownership structures) disclosed in or evident in the submission or meetings or interviews with respondents. The County believes that the information in this RFEI is accurate, but Suffolk County, their officers, agents and employees make no representations or warranties to such accuracy and assume no responsibility for errors and omissions contained herein.

Suffolk County shall be the sole decision maker of whether a response complies with the requirements of this RFEI and whether responses have merit. Nothing contained in this RFEI shall limit the County in its selection of firm(s) to be invited to respond to future development and other solicitations for this project or future projects, nor limit the County's discretion in any way in formulating and adopting a development plan for the Site. Submission of a response to this RFEI by any respondent constitutes respondent's permission and consent to inquiries by the County concerning the respondent and its ability to participate in the development project, including checking references, credit checks and similar investigations.

It is the policy of Suffolk County to comply with all federal, state and local laws, policy, orders, rules and regulations which prohibit unlawful discrimination because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status, and to take affirmative action in working with contracting parties to ensure that New York State Business Enterprises, Minority and Women-owned Business Enterprises (M/WBEs), Minority Group Members and women share in the economic opportunities generated by Suffolk County's participation in projects or initiatives and/or the use of County funds or resources. M/WBEs are encouraged to respond to this RFEI.

<u>Current Uses that may not be considered for relocation (see Map 2)</u>

- The County Farm: An historic and functioning farm on about 230 acres.
- John Foley Skilled Nursing Facility: A multi-story building, located west of Yaphank Avenue, this facility is currently 172,000 SF in area, with a proposed expansion of 8,000 SF.
- Infirmary Building: Located on the west side of Yaphank Avenue adjacent to the LI Expressway South Service Road, this recently renovated 94,000 SF building houses several County offices.
- *Minimum Security Prison*: Located west of the Skilled Nursing Facility, this 84,000 SF facility will be expanded, with the final size yet to be determined.

Other current facilities on the Site that may be relocated to accommodate proposed visions for development include:

- Police Headquarters: This is a 130,000 SF facility, on the west side of Yaphank Avenue.
- DPW Headquarters: This is a 90,000 SF building, located on the east side of Yaphank Avenue north of the LIRR track.
- Probation/F.R.E.S. Building: This is a 55,000 SF building located west of Yaphank Avenue, south of the Skilled Nursing Facility.
- Board of Elections: This is a 44,000 SF building on the east side of Yaphank Avenue, just north of DPW Headquarters.
- Firematic Training Facility: Located west of Yaphank Avenue, just south of the Probation/F.R.E.S. Building, this facility consists of a 19,700 SF classroom building and other structures associated with firefighter training activities.
- DPW ancillary buildings: These structures include the Vector Control building, various storage buildings and garages, and are located north of the LIRR track on the east side of Yaphank Avenue.
- Soccer Fields: A community recreation use (soccer fields) is located on approximately 20 acres west of Police Headquarters. This property is encumbered by a lease with a community organization that extends an additional few years. The County will consider proposals to relocate the fields onto another portion of the site providing equal or better facilities are provided. At the termination of the current lease the County Legislature has the authority to decide on options for the use of the demised premises.

Surrounding Uses

There has been a significant amount of industrial development occurring in the general vicinity of the site, including:

 On-going build-out of the Brookhaven Industrial Park, located between Horseblock Road (CR 16) and Woodside Avenue (CR 99), approximately one mile west of the site.

- A proposed power plant (Caithness) located on a 96 acre parcel about 1,000 feet west of the site, bordering the LIRR on the north. The parcel is at the north end of a proposed industrial development which extends southward to Horseblock Road.
- A proposed industrial subdivision located between Parcel 7 of the surplus properties (refer to aerial photo from the Site Evaluation Plan) and the existing LI Compost facility.

An initial site assessment by the County's consulting engineers did not uncover prohibitive environmental issues associated with the current site. However, groundwater contamination plumes have affected some areas of the site. (Suffolk County Planning can provide a map of the plumes upon request). Further, in the northeast portion of site, New York State maintains jurisdiction over a small area under the Scenic Rivers Act. This area is within the Special Groundwater Protection Area (SGPA) of Hydrogeologic Zone III, and within the boundary of the Wild, Scenic and Recreational (WSR) river designation for the Carmans River. The official SGPA management plan presents a number of guidelines and recommendations for development within an SGPA. Conformity with these guidelines must be demonstrated during the SEQRA review process. Also, WSRs are protected by development regulations including restrictions on densities, specifications for setbacks from wetlands and surface water and so forth. It should be noted that the Site is not in the Central Pine Barrens with the exception of a portion of the County Farm north of the LIE.

Comments solicited during public meetings were extensive. Many comments focused on air quality issues from existing uses in the vicinity of the site, including a Long Island Compost facility, the Brookhaven landfill, located along the south sides of CR 16 and CR 99 (Woodside Avenue), a private farm located opposite Police Headquarters on the east side of Yaphank Avenue (CR 21), and the Grucci fireworks facility, which is located adjacent to the central portion of the Site's westerly border.

TRANSPORTATION

Highway Access

The site currently has good roadway access. In addition to Yaphank Avenue (CR 21), which provides access to the site from both the LI Expressway and Sunrise Highway (NYS Route 27), Horseblock Road (CR 16) borders the site to the south, extending northwesterly to an interchange with the LI Expressway (Exit 65) and Sunrise Highway. Recent engineering studies reveal that there is available traffic capacity at critical intersections surrounding the site, though developers of the site will be required to mitigate any burden that exceeds existing capacity without resulting in unacceptable levels of service. The County has a proposed project to widen CR 16 (to two lanes in each direction plus turning lanes) between CR 21 and the LI Expressway. This project would be constructed sometime after 2010.

Rail Access

There is currently a LIRR stop adjacent to the site. However, service is limited to 4 stops per day in each direction. Further, within the next few years, the LIRR will be evaluating

¹ Funding for design and property acquisition has been allocated in the 2006-2010 Transportation Improvement Program, published by the NY Metropolitan Transportation Council.

potential sites for a train storage yard east of Ronkonkoma, and could extend electrification and relocate the existing Yaphank station in conjunction with that project.

Bus Access

The current Suffolk Transit S71 bus serves the site, operating along CR 21, and connecting Shirley and the Stony Brook railroad station. It operates Monday through Saturday, generally at 90 minute intervals.

INFRASTRUCTURE

The existing County structures are currently connected to public water, electric, and telephone services. The various facilities are also connected to an onsite sewage treatment plant which has some surplus capacity as well as the feasibility for expansion. As such, major utilities are present in the immediate area and are readily available to help service development. However, upgrades may be necessary depending on the scope of any future development.

BUILDING	BLDG #	DEPARTMENT	SQ. FT.
Public Works	10	Public Works	90202
Board of Elections	11	Board of Elections	44088
Minimum Security Facility	12	Sheriff	83970
Firematics Classroom	13	F.R.E.S. Health Services	4700 5720
County Home and Infirmary	14	Vacant	93879
DPW Vehicle Garage	21	Public Works	4816
Weights & Measures Garage	26	Consumer Affairs	1767
Chefs Cottage	56	Cooperative Extension	2102
Probation/Schraeder House	57	Probation	3477
Farm Machinery Storage	59	Cooperative Extension	5901
Mosquito Control	62	Public Works	11302
DPW Laboratory	66	Public Works	3230
Meat Processing Plant	106	Cooperative Extension	3701
Probation Building	110	F.R.E.S. Probation	30462 24363
Mosquito Control Garage	155	Consumer Affairs Public Works	1000 5158
Vector Control Storage	156	Public Works	1680
Firematics Training Tower	160	F.R.E.S.	1444
Doctor's Cottage	161	Public Works	1789
Firematics Garage & Pump	167	F.R.E.S.	2993
Vector Control Garage	191	Police Public Works	322 1873
Storage & Mixing Bldg.	192	Public Works	340
DPW Garage	342	Public Works	25885
Police Storage	352	Police	5701
Police Headquarters	356	Police	129931
County Farm Barn	357	Cooperative Extension	7367
DPW Crew Shop	382	Public Works	3237
Furniture Storage Bldg.	390	Audit & Control	1574
Police P.A.L. Storage	407	Police	720
Police Garage	427	Police	2077

BUILDING	BLDG #	DEPARTMENT	SQ. FT.
Sewerage Treatment Control	490	Public Works	2120
Sewerage Treatment Pump	492	Public Works	1515
Infirmary Pump House	499	Vacant	270
Infirmary Garage	500	Vacant	1600
Infirmary Gazebo South	501	Vacant	0
DPW Garage	502	Public Works	4986
DPW Storage	503	Public Works	2422
DPW Waterways	504	Public Works	5095
Cattle Feed Lot	506	Cooperative Extension	4571
Hay Barn	507	Cooperative Extension	4525
Recycle Education Center	508	Cooperative Extension	1548
Farrowing House	509	Cooperative Extension	1228
Agricultural Exhibit Hall	510	Cooperative Extension	1807
Tour Storage	511	Cooperative Extension	387
Storage	512	Cooperative Extension	603
Classroom	513	Cooperative Extension	3964
Pesticide Storage	515	Cooperative Extension	51
Horticultural Center	516	Cooperative Extension	1685
Pump House	517	Public Works	165
Asst. Farm Manager Storage	518	Cooperative Extension	141
Sheriff/Security Office	519	Sheriff	1023
Pig Shelter	522	Cooperative Extension	432
Hay Jump	525	Cooperative Extension	146
Feeder Coo	526	Cooperative Extension	1087
Feeder Coo	527	Cooperative Extension	1087
Administrative Office	528	Cooperative Extension	1087
Education Office Front	529	Cooperative Extension	1187
Education Office Rear	530	Cooperative Extension	585
Farmhand Residence	531	Cooperative Extension	585
Asst. Manager Office	532	Cooperative Extension	585

BUILDING	BLDG #	DEPARTMENT	SQ. FT.
Laboratory Garage	533	Public Works	323
Accessory Storage	534	Public Works	85
Laboratory Refrigerator	535	Public Works	53
Smoke House	550	F.R.E.S.	1062
Pump House	551	F.R.E.S.	2924
Training Building	552	F.R.E.S.	3684
Doctors Cottage Garage	556	Public Works	327
Police Headquarters Aux.	570	Police	664
Gazebo North	621	Health Services	0
Menthol Pump Bldg.	628	Public Works	775
Menthol Temp. Control	629	Public Works	25
LIRR Easement Yaphank	631	Public Works	0
Firematic Classroom	676	S.C. Voc.Ed. & Ext. Bd.	19694
Firematic Training Facility	682	F.R.E.S.	7110
Butler Building	684	Public Works	667
Generators Shed	686	Public Works	54
Radio Tower	718	Police	225
Radio Tower	728	Public Works	160
Radio Tower	735	Emergency Preparation	120
Radio Tower	736	F.R.E.S.	100
Grain Storage	737	Cooperative Extension	1808
Grain Storage	738	Cooperative Extension	1017
Rifle Test Fire Tube	745	Police	25
Pavement Easement	749	Public Works	0
Police Property Bureau	753	Police	30321
Pump House	761	F.R.E.S.	400
Police Booth	771	Police	70
Summer House (Picnic)	775	Cooperative Extension	1630
Trailer	786	Cooperative Extension	585
Shed	787	Cooperative Extension	96

BUILDING	BLDG #	DEPARTMENT	SQ. FT.
Horse Manger	788	Cooperative Extension	72
6 Kennel Do Shelters	795	Police	36
DWI Trailers	796	Health Services Sheriff	2355357
Storage Shed	797	Public Works	2427
Shelters	801	Cooperative Extension	291
Canine Facility	810	Police	1344
Pump House Oil	811	F.R.E.S.	120
Storage Shed	812	F.R.E.S.	81
Material Testing Lab.	823	Public Works	10632
Sand Storage Barn	828	Public Works	7107
Sand Storage Conical	829	Public Works	9160
Storage DWI	830	Sheriff	64
Schraeder Youth Home	831	Probation	3716
Emergency Storage Bunker	848	Police	725
Equipment Shed	849	Cooperative Extension	225
Fleet Management Garage	850	Police	8522
Picnic Shed	857	Cooperative Extension	640
Swine Rearing Facility	859	Cooperative Extension	2000
Skilled Nursing Facility	898	Health Services	171674
Health Department Garage	938	Health Services	10000
Police Dept. Property Bureau	961	Police	3300
DPW Highway Shed	962	Public Works	800
Repair & Equip. Storage	965	Cooperative Extension	2000
Quartermasters Building	975	Police/ Sheriff?	30000
Class A Training Booth	977	Class A. Training	5700
Security Booth	978	Security Booth	78

Source: Suffolk County Department of Public Works, March 2005.



MARKET OVERVIEW

The County has set forth its goals and objectives for the site. But in order to achieve these goals through a public-private partnership, community and economic development goals must be balanced with market realities. To this end, the County has endeavored to provide an overview of the market realities that will underlie the development of the site. This effort included a review of economic and demographic trends, using population, income and employment data, and local real estate market conditions, including supply and demand trends. This Appendix presents a summary of the results.

Economic and Demographic Trends

Over the next 20 years, employment levels on the whole in Long Island are expected to grow slowly. The Professional and Business Services¹ sector will outpace other sectors, growing by 10.0% through 2030, followed by the Information sector,² growing by 8.6%.³ The only sectors expected to contract are the Manufacturing sector and Finance, Insurance, Real Estate and Leasing sector, with modest declines. The Manufacturing decline reflects a national trend, as corporations continue to move their manufacturing operations out of the U.S.

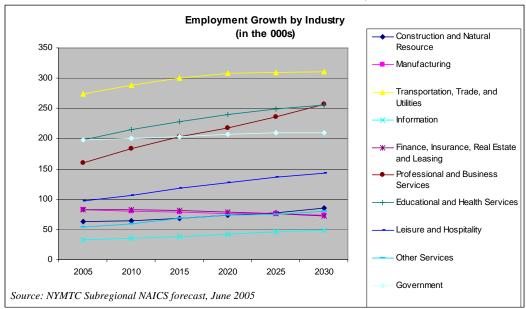


FIGURE 1. PROJECTED EMPLOYMENT GROWTH, LONG ISLAND

³ New York Metropolitan Transportation Council (NYMTC), Subregional NAICS Forecast, June 2005.

¹ According to the North American Industry Classification System (NAICS), the Professional and Business Services sector includes legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, technical services, and management and administrative support ² According to NAICS, the Information sector includes the publishing industries (software, traditional and Internet), motion picture and sound industries, broadcasting industries, telecommunications industries, Internet service providers, data processing industries and information services



Despite this outlook for modest growth, the full spectrum of Long Island's business sector – from services to high-tech and low-tech manufacturers – have cited the lack of homes employees can afford as the single, biggest threat to sustainable economic prosperity for Suffolk County. The high cost of living in Suffolk County continues to fuel the "brain drain" – the consistent outflow of young educated adults who are critical to economic growth. In the 1990s, Long Island's population of young adults aged 18-34 decreased by 20%, five times the national rate. For those young adults who remain, 56% of people in a similar age group, 20-34, live with their parents or other adults (approximately 270,000 people). As discussed further below, a critical shortage of homes that young adults can afford threatens the stability of the employment base and the County's ability to capture its share of regional economic growth.

Suffolk County Real Estate Market - Overview

The Suffolk County and Long Island real estate markets remain strong. With developable sites in limited supply throughout Long Island, increased demand fueled by economic growth is putting continued downward pressure on vacancy rates. Across all commercial product types, vacancies remain at or near historical averages, keeping prices and rents stable, a situation expected to continue for the near term due to low interest rates and continued economic growth. However, the Suffolk County residential market has exhibited rapid price increases as low interest rates and healthy economic conditions continue to boost demand. In the near term, housing costs are expected to remain high relative to incomes in the County. Over the long term, the strength of the County's property markets will also depend on its continued ability to capture economic growth. The following sections review market trends for each property type.

Residential

Since 2002, residential median sales prices have increased by nearly a third, to \$359,000 in 2004⁷ (See Figure 2). Rising housing costs that contribute to an increased cost of living and smaller disposable incomes in Suffolk County pose perhaps the greatest threat to Suffolk County's economic future. Fostering growth of local businesses requires that Suffolk County not only keep its young, educated population, but also that it attracts workers from outside the County. A key challenge is that income levels in the dominant employment sectors⁸ are not keeping up with housing costs.

⁵ "The Crisis of Affordable Housing for New York City's Working People" November 2004, David M. Muchnick, Sustainable Enterprise

⁴ Long Island Index 2005

⁶ Newmark Long Island

⁷ NYS Office of Real Property Services: Residential Arm's Length Sales and Median Sale Prices by County. NYSAR Monthly Housing Survey – Median Sales Price of Existing Single Family Homes were estimated to be approximately \$400,000 in October 2005. Employment and wage data are current as of 2004, so this analysis uses 2004 median home price.

analysis uses 2004 median home price.

8 The County's largest employment sectors include Government, Retail Trade, Healthcare and Social Assistance, and Manufacturing according to NYS Department of Labor "NAICS Based Industry Employment and Wages," 2004



\$360,000 \$340,000 \$320,000 \$320,000 \$280,000 \$260,000 \$240,000 \$220,000 \$220,000 \$200,000 \$200,000 \$200,000 \$200,000 \$200,000 \$200,000 \$200,000

FIGURE 2. MEDIAN RESIDENTIAL SALES PRICE - SUFFOLK COUNTY

This major issue for Suffolk County is clearly demonstrated by several facts:

- Assuming a 10% down payment, in order to support a mortgage at current rates, the required household income would have been \$100,000 in 2004.
- In 2004, approximately 69% of Suffolk households⁹ earned less than \$100,000¹⁰ (See Figure 3, below).
- Employees in the County's largest employment sectors (government, retail trade, health care and manufacturing) earn between \$28,000 and \$49,000¹¹ annually.
- Of Suffolk County residents, 41% of owners and 56% of renters spend more than 30% of their income on home costs. 12
- Suffolk residents spent more on housing than most other counties in the tri-state region¹³ (See Figure 4, below).

A brief look at a hypothetical household illustrates this problem further. Assuming a hypothetical household of four people with two wage earners in the government, retail trade, health care or manufacturing industries, the total household income would range between \$56,000 and \$98,000 annually. This falls below the \$100,000 required to support a mortgage for a house in Suffolk County at 2004 median cost. Homes that these households can afford¹⁴ would need to fall between a sales price range of \$200,000 to \$350,000, requiring annual mortgage or rent payments between \$14,000 and \$25,000 annually.

⁹ Suffolk County household is assumed to have 4 people

¹⁰ U.S. Census Bureau American Community Survey: 2004 Data Profiles, Suffolk County

NYS Department of Labor NAICS Based Industry Employment and Wages (Preliminary 2004)
 U.S. Census Bureau American Community Survey: 2004 Data Profiles, Suffolk County. The U.S.

Department of Housing and Urban Development defines 30% of gross income as the maximum households can pay in housing costs without creating an excessive burden. This threshold is generally used as the base measure of housing affordability

¹³ U.S. Census Bureau American Community Survey: 2004 Data Profiles, Suffolk County

¹⁴ Affordability as defined by the HUD-established 30% of gross income threshold, noted above



With current residents overextended in their housing costs, multiple generations of families sharing residences, and young people leaving in search of more affordable living, Suffolk County faces a demographic shift that threatens its future economic health. In order to foster the growth of a stable workforce, the County must increase its inventory of homes that young workers can afford.

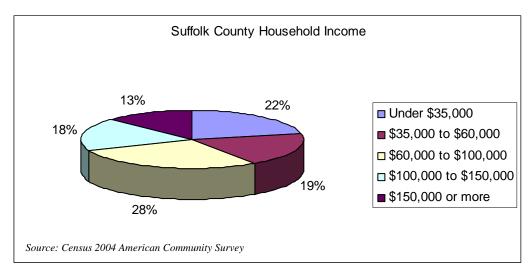
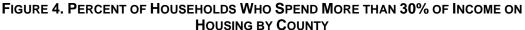
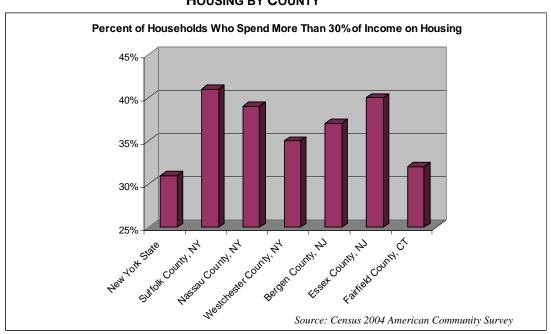


FIGURE 3. SUFFOLK COUNTY HOUSEHOLD INCOME DISTRIBUTION







Retail and Entertainment

The retail market on Long Island expanded rapidly from the 1990s to 2001, with 9.4 million square feet of new shopping center space, 15 driven by good performance at existing locations and a dense population with substantial spending power. 16 Retail purchases per household in Nassau-Suffolk in 2001 were 35% above the national average.17

During these years of expansion, responding to a smaller yet significantly wealthier percentage of the population, the character of the retail stock changed. Retail stores at higher price points began to dominate regional shopping centers. 18 These centers currently boast considerably lower vacancy rates, compared to other retail centers (See Figure 5). In addition, big box retail¹⁹ seems to be eating into the smaller community and neighborhood shopping centers'²⁰ demand base. This shift in the market has put pressure on the type of retail that had traditionally characterized Suffolk, choking out the local "Mom and Pop" stores and lower price point retail - a trend that has been observed in suburban and rural communities nationwide.²¹

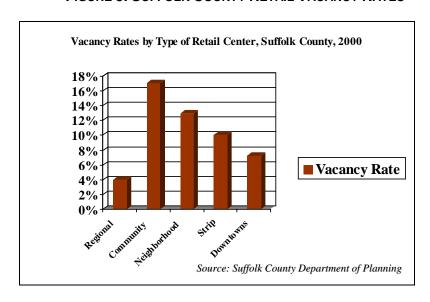


FIGURE 5. SUFFOLK COUNTY RETAIL VACANCY RATES

¹⁵ Long Island Business News, 11/30/2001 Suffolk County Planning

¹⁶ Suffolk residents per capita spending was \$9,933; compared to \$7,677 for New York State. (U.S. Economic Census 1997)

17 Suffolk County Department of Planning: Demographic, Economic and Development Trends

¹⁸ Defined by the Suffolk County Department of Planning as centers larger than 750,000 sf with at least 2 department stores and more than 100 smaller stores

¹⁹ Defined by the International Council of Shopping Centers (ICSC) as single-use stores between 10,000

and 100,000 sf ²⁰ Defined by ICSC as centers designed to provide convenience shopping for day-to-day needs of the immediate neighborhood, ranging from 30,000 to 100,000 sf; Community centers are often anchored by supermarkets, drugstores or discount department stores, and are a bit larger, from 100,000 to 300,000 sf ²¹ lbid



Despite a retail market that appears near saturation, there are some opportunities for expanded entertainment activities in Suffolk County. The current variety is somewhat narrow, with Nassau County offering a wider range of options. Demand for basic entertainment options such as movie theaters, appears to be met in the Yaphank area, with 5 movie theaters (approximately 25-35 screens) within an 10 mile radius of Yaphank serving a population of nearly 200,000.22

Anecdotally, feedback at public meetings indicated potential demand for more sportsrelated entertainment activities in Suffolk. The Long Island Ducks independent league baseball team makes its home in Suffolk and plays its games at Citibank Park in Central Islip, attracting viewers from around the County. The Ducks have averaged 102% capacity for the last five years (the Ducks oversell their games).²³ There are a few entertainment centers, such as batting cage/sports complexes, in the County (Sports Plus, The Rinx, Baseball Heaven). Local sources indicated potential demand for an additional type of sports/entertainment venue (including activities like soccer, ice rink, basketball courts and indoor swimming) though the extent of that demand has not been quantified.24

Currently, venues that offer ice hockey and other indoor sports activities are primarily located in Nassau County, According to a nationwide survey conducted by Research USA, Inc. on behalf of the Ice Skating Institute, for respondent facilities in the Northeast, there was an average population of 500,000 people supporting 8 ice rinks within a 30minute drive radius. 25 Currently, Suffolk County's total population of 1.4 million supports just 6 ice rinks. Five of these rinks are located within a 30-minute drive of Yaphank, serving a population of approximately 970,000 (assuming a market catchment area of Towns of Smithtown, Islip, Brookhaven, Riverhead and Southampton).²⁶ According to the Ice Skating Institute's data, there may be enough demand for another ice rink facility in Suffolk.

The County's public meetings were dominated by substantial numbers of supporters for a facility that could host a variety of motor sports activities, including, but not limited to NASCAR racing, drag racing and/or ATV use. Facilities exist across the country in a wide range of sizes with a wide range of space and demand requirements. Currently, there are over 100 motorsports facilities²⁷ in New York, Connecticut, and New Jersey combined.²⁸ There is one such facility on Long Island, the Riverhead Raceway, a onequarter-mile asphalt oval which includes a Figure-8 course. The Long Island Motorsports Park, another quarter-mile dragstrip that featured a small oval for karts, located near

²² According to an interview with the real estate department of Loews, a typical movie theater corporation, to locate a 15-20 screen facility in an urban area the location should have a population between 200,000-250,000 people within a 1-3 mile radius. For suburban areas like Suffolk County, this radius can be expanded up to 8-10 miles. ²³Christy Brothers, "Have a 'Quacker' of a Time", The Long Islander; December 1-7, 2005

²⁴ Interview with Roger A. Delisle, Jr., broker, Island Associates: October 12, 2005, as well as feedback from public meeting on November 14, 2005.

25 Ice Skating Institute 1999 Industry Survey – Research USA, Inc.

²⁶ 2000 U.S. Census: Profile of General Demographic Characteristics

²⁷ Raceways, speedways, and dragstrips

²⁸ www.Whowon.com



Westhampton, closed at the end of 2004. In response to persistent complaints about noise and air pollution from the surrounding community, the Town of Southampton rezoned the property to allow residential development. The property was sold by its private owners to a residential developer.

The most common type of raceway ranges from 1/8-1/2 mile and hosts various motor sports activities including stock car and drag racing and go-kart activities, accommodating up to 15,000 spectators each.²⁹ NASCAR events take place at much larger venues, with the ability to accommodate at least 50,000 spectators,³⁰ and there currently is no such venue in the Tri-State area. Notwithstanding other requirements such as access and site suitability, with at least 50 million people within a 400-mile radius, a Suffolk County location provides a population comparable to those surrounding other major racing facilities with 80,000-90,000 seats.³¹ It should be noted that sites for these facilities must provide adequate parking.

Hotel

Due at least in part to a shift in hotel product type, there may a growing disconnect between the demand for new hotel rooms and the continuing robust pace of new hotel construction on Long Island and especially Suffolk County. New hotel development could increase the existing hotel room stock in Suffolk County by as much as $25\%^{32}$ although occupancy rates of around $70\%,^{33}$ alone, would not seem to indicate demand for additional rooms. However, new supply reflects a shift in price points to satisfy higher income clients through extended stay and new hotels. This trend indicates that some lower level hotels are likely to be squeezed out of the market in favor of hotels with higher price points.

Industrial

Suffolk County's industrial market is recovering well from the recession of 2001, though demand continues to be tempered, consistent with the nationwide slowing of the manufacturing sector. While manufacturing employment in Long Island declined by nearly 16% since 2000,³⁴ five hundred (500) manufacturing jobs were added in 2004, largely due to an uptick in the defense industry.³⁵ The wholesale trade sector has also been adding jobs. As a result of this growth, several new projects are in the pipeline, including a 560,000 square-foot building in the Brookhaven Industrial Park.³⁶ However, the shortage of available industrial sites, combined with a wave of conversions from industrial to Class B office space is putting upward pressure on land prices, though increasing interest rates are expected to stabilize sale prices. The new supply moderation and steady demand have allowed the vacancy rate to continue its decline towards historical norms (See Figure 6).

²⁹ Ibid

³⁰ Berk & Associates, "Economic and Fiscal Benefits Analysis of a Motor Speedway in Kitsap County," October 2005.

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³² Suffolk County Department of Planning

³³ Long Island Business News: Volume 52

³⁴ NYS Department of Labor: Current Employment Statistics Survey

³⁵ Newmark Market Report: Long Island Industrial Market, 1Q2005.

³⁶ Ibid





FIGURE 6: INDUSTRIAL VACANCY RATE

Office

Reflecting steady employment growth in Suffolk's commercial employment sectors, demand for office space is solid (See Figure 7). Despite land limitations, the inventory continues to grow through industrial conversions and development of a few remaining sites to accommodate growth (See Figure 8). Rent levels for Class A and B space are up from last year, and are expected to stabilize through 2005 as more Class A office space comes on the market.³⁷ The Suffolk County office market is expected to remain stable going forward.

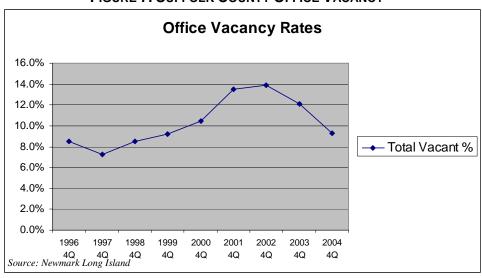
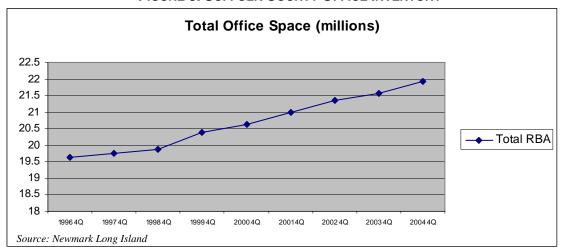


FIGURE 7. SUFFOLK COUNTY OFFICE VACANCY

³⁷ Newmark Long Island



FIGURE 8. SUFFOLK COUNTY OFFICE INVENTORY

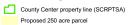


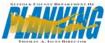


YAPHANK COUNTY CENTER









YAPHANK COUNTY CENTER PROPOSED 250± ACRE PARCEL

YAPHANK COUNTY CENTER Long Island Expressway. NYS Rte 495 В

Legend

Land to be excluded from relocation / reuse options

Residential Alternative Location - with posible relocation of county facilities

County Center property line (SCRPTSA)



YAPHANK COUNTY CENTER
LAND TO BE EXCLUDED FROM RELOCATION/REUSE OPTIONS
and RESIDENTIAL ALTERNATIVE LOCATION

Map 2 of 2 Town of Brookhaven Suffolk County, New York December 21, 2005 - CD-05-05



Steve Levy Suffolk County Executive